

3.1

Handout: Dale Carnegie's 3 Part Magic Formula vs Pay It Forward Formula



MAGIC FORMULA VS. PAY IT FORWARD FORMULA

Storytelling can be a powerful way to influence people and these two formulas provide a helpful structure. While there are similarities between the two, each one could be used to reach a different kind of audience.

Dale Carnegie's Magic Formula:



1

Share
a detailed
personal story
with a relevant
problem
or challenge

2

Tell
them
what you did
to overcome
the challenge

3

Explain
the benefits
of taking
that action

By using this formula, writers will emphasize how **their own approach** worked to solve a problem and will share evidence to compel readers to take a similar approach. **"This worked for me and here's the proof."** You might see this approach used by entrepreneurs or industry experts who have struggled to get where they are today, or by people looking to sell a product or solution they've developed themselves.

Pay It Forward Formula:

1

Share
a detailed
personal story
with a relevant
problem
or challenge

2

Explain
how the problem
was solved
thanks to a solution
provided by
an outside source

3

Convince
the reader
they can repeat
your actions
to achieve
similar benefits



By using this formula, writers will emphasize how **someone else's approach** worked to solve a problem and will share evidence to compel readers to take a similar approach. **"This worked for me and it can for you too."** The reason for including the reference to the outside source is to make the solution seem more legit: it's not YOUR idea, it was someone else's and it worked. You might see this approach used by writers or professionals genuinely trying to share advice with followers, or by people trying to sell a solution by making it seem like a secret, exclusive opportunity.

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Both formulas begin with the personal story and problem statement, but present the solution and benefits in different ways in steps 2 and 3. The end result should be a story-driven argument that compels the reader to take the action you recommend.

